SPIRITS BUY BACK PROGRAM FREQUENTLY ASKED QUESTIONS

EMAIL QUESTIONS TO: LARA-MLCC-FINANCE-INFORMATION@MICHIGAN.GOV

The Governor announced a spirits buy back program for on-premises retailer licensees, does this include my type of license?

- Only the following <u>on-premises retailer</u> license types may participate in the spirits buy back program:
 - Class C License
 - B-Hotel License
 - G-1 License
 - Club License
 - Continuing Care Retirement Center (CCRC) License
 - Aircraft License
 - Train License
 - Watercraft License
- The license under which the spirits were purchased must not have been in escrow prior to 11:59pm on March 10, 2020 in order to qualify to participate in the spirits buy back program.
- A licensee that has unpaid non-sufficient funds (NSF) payments to the Commission does not qualify to participate in the spirits buy back program.

How do I apply for the spirits buy back program?

 To request to participate in the spirits buy back program for on-premises licensees, please visit the Liquor Control Commission website (www.michigan.gov/lcc) and click the button at the top of the page that says spirits buy back program or click the button below to open a page with an online application form you will need to complete:

ON-PREMISES RETAILER LICENSEES CLICK HERE FOR SPIRITS BUY BACK PROGRAM

• You will also need to download and complete the fillable PDF form on the application page so that you can submit a list of the spirits products for which you are applying for buy back funds. The fillable form must be emailed to LARA-MLCC-Spirits-Buy-Back@Michigan.gov.

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What is the deadline for applying for the spirits buy back program?

- Applications must be submitted online by 5:00pm on Friday, April 24, 2020, including emailing the fillable PDF inventory form that is on the webpage.
- If you cannot submit the application online and/or email the fillable PDF inventory form, you may mail the required information to Liquor Control Commission, Attn: Mari Clark, P.O. Box 30006, Lansing, MI 48909. Any mailed forms need to be postmarked before April 24, 2020 at 5:00pm.

How quickly will I receive a spirits buy back program payment?

- Once the Commission has received your completed application and the list of the spirit products which you are selling back to the Commission, the Commission will forward your payment request to the Department of Treasury to mail you a check.
- We cannot guarantee how quickly the checks will be received in the mail by licensees based on the current situation with the Coronavirus state of emergency, but they will be processed and mailed as quickly as possible.

What spirits qualify to be bought back by the Commission?

- The spirits buy back program applies to spirits ordered from the Commission that were delivered and accepted by the licensee from an Authorized Distribution Agent (ADA) before March 16, 2020.
- The spirits must be in a resaleable condition:
 - The spirits must be in the original, unopened bottle.
 - ➤ The spirits must be currently listed in the MLCC price book.
 - The spirits must not be expired.
 - > All labels must be intact on the bottles.

How do I calculate the spirits buy back payment amount?

• The buy back payment amount is based on the actual purchase price you paid the Commission for the spirits you would like to sell back to the Commission.

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• You will need to verify the purchase price using your invoices or your own bank records. The Commission cannot provide that information to you.

Do I have to repay the funds I receive from the spirits buy back program?

- If you intend to sell the spirits that the Commission bought back after the states of emergency and disaster related to Coronavirus end, then you must repay the Commission for those spirit products.
- A licensee who participates in the buyback program may repurchase the spirits from the Commission within 90 days after the end of the declared states of emergency and disaster.
- If the licensee does not repurchase the spirits within 90 days from the end of the states of emergency and disaster, the Commission is authorized to seize the spirits. After the 90-day period, a licensee will not be permitted to purchase additional spirits until the licensee has either repurchased the spirits bought back by the Commission or the Commission has seized those spirits.

What happens with the spirits bought back by the Commission that are at my licensed business?

- During the Coronavirus state of emergency, licensees must keep the spirits sold back to the Commission on their licensed premises.
- After the state of emergency ends and a licensee reopens to customers for onpremises sales, a license may sell the spirits the Commission bought back if the licensee repays the Commission for the spirits. The licensee must repurchase the spirits within 90 days of the state of emergency ending.